

VZCZCXRO0472
RR RUEHGH
DE RUEHIN #3454 2780941
ZNR UUUUU ZZH
R 050941Z OCT 06
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC 2497
INFO RUEHBJ/AMEMBASSY BEIJING 5744
RUEHGZ/AMCONSUL GUANGZHOU 9601
RUEHHK/AMCONSUL HONG KONG 6959
RUEHGH/AMCONSUL SHANGHAI 0422
RUEHGV/USMISSION GENEVA 1780
RUEHC/DEPT OF AGRICULTURE WASHDC
RUCPDO/DEPT OF COMMERCE WASHDC

UNCLAS TAIPEI 003454

SIPDIS

SENSITIVE
SIPDIS

STATE PASS USTR
STATE FOR EAP/TC,
USTR FOR GRIER AND ALTBACH,
USDOC FOR 4431/ITA/MAC/AP/OPB/TAIWAN/JDUTTON
USDA/FAS FOR SHEIKH/MIRELES

E.O. 12958: N/A
TAGS: [ETRD](#) [ECON](#) [PREL](#) [WTRO](#) [TW](#)
SUBJECT: TAIWAN CONSIDERS NEW PUSH FOR WTO GPA

REF: TAIPEI 166303

¶1. AIT ECON Chief delivered reftel demarche jointly with EC Representative Brian McDonald on October 5 to Ministry of Economic Affairs Deputy Minister Hsieh Fa-dah. Utilizing reftel points, Econ Chief emphasized the need to move forward on Taiwan's long-standing commitment to open up Taiwan's government procurement market. He asked for a rapid response from Hsieh so the U.S. and the EC could make another effort at the WTO to secure agreement for Taiwan to accede to the Government Procurement Agreement (GPA). Econ Chief noted the U.S. is not confident the new proposal would be acceptable to China while underscoring our view that the existing U.S. - EC footnote proposal is a fair and reasonable way to resolve outstanding differences.

¶2. McDonald presented to Hsieh the EC's proposed language for Taiwan's accession. AIT/T has sent the EC's proposed text to EAP/TC, USTR (Eric Altbach) and AIT/W by unclassified email. Econ Chief told Hsieh the U.S. has not yet agreed to the specific language, but is working closely with the EC on the text and tactics to get Taiwan into the GPA. He and McDonald asked Hsieh for a rapid response from the Taiwan side so we can move this issue forward. Econ Chief noted the U.S. desire to move forward on a bilateral government procurement agreement with Taiwan if efforts for a multilateral agreement fail. McDonald said the EC would also seek a bilateral agreement in the same circumstances.

¶3. Hsieh said Taiwan would seriously consider the new proposal from the U.S. and the EC and respond. He said this issue will require careful review before Taiwan can respond because it is a very sensitive issue involving sovereignty. He reiterated Taiwan's strong desire to join the GPA while noting Taiwan could not accept the existing U.S. - EC proposal because of its references to sovereignty.
WANG